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A Generic Concept of Marketing

PHILIP KOTLER

The proposal that marketing is relevant to all organizations having customer groups was advanced in the January, 1969 issue of this journal.

It is now stated that the original broadening proposal should be broadened still further to include the transactions between an organization and all of its publics. The author sees marketing as the disciplined task of creating and offering values to others for the purpose of achieving a desired response.

The generic view of marketing is defined by a set of four axioms and leads to new marketing typologies and views of the tasks of marketing management.

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ONE of the signs of the health of a discipline is its willingness to reexamine its focus, techniques, and goals as the surrounding society changes and new problems require attention. Marketing has shown this aptitude in the past. It was originally founded as a branch of *applied economics* devoted to the study of distribution channels. Later marketing became a *management discipline* devoted to engineering increases in sales. More recently, it has taken on the character of an *applied behavioral science* that is concerned with understanding buyer and seller systems involved in the marketing of goods and services.

The focus of marketing has correspondingly shifted over the years. Marketing evolved through a *commodity focus* (farm products, minerals, manufactured goods, services); an *institutional focus* (producers, wholesalers, retailers, agents); a *functional focus* (buying, selling, promoting, transporting, storing, pricing); a *managerial focus* (analysis, planning, organization, control); and a *social focus* (market efficiency, product quality, and social impact). Each new focus had its advocates and its critics. Marketing emerged each time with a refreshed and expanded self-concept.

Today marketing is facing a new challenge concerning whether its concepts apply in the nonbusiness as well as the business area. In 1969, this author and Professor Levy advanced the view that *marketing is a relevant discipline for all organizations insofar as all organizations can be said to have customers and products*.¹ This "broadening of the concept of marketing" proposal received much attention, and the 1970 Fall Conference of the American Marketing Association was devoted to this theme.

Critics soon appeared who warned that the broadening concept could divert marketing from its true purposes and dilute its content. One critic did not deny that marketing concepts and tools could be useful in fund raising, museum membership drives, and presidential campaigns, but he felt that these were extracurricular applications of an intrinsic business technology.²

¹ Philip Kotler and Sidney J. Levy, "Broadening the Concept of Marketing," *JOURNAL OF MARKETING*, Vol. 33 (January, 1969), pp. 10-15.

² David Luck, "Broadening the Concept of Marketing—Too Far," *JOURNAL OF MARKETING*, Vol. 33 (July, 1969), pp. 53-54.

Several articles have been published which describe applications of marketing ideas to nonbusiness areas such as health services, population control, recycling of solid wastes, and fund raising.³ Therefore, the underlying issues should be reexamined to see whether a more generic concept of marketing can be established. This author concludes that the traditional conception of marketing would relegate this discipline to an increasingly narrow and pedestrian role in a society that is growing increasingly post-industrial. In fact, this article will argue that the broadening proposal's main weakness was not that it went too far but that it did not go far enough.

This article is organized into five parts. The first distinguishes three stages of consciousness regarding the scope of marketing. The second presents an axiomatic treatment of the generic concept of marketing. The third suggests three useful marketing typologies that are implied by the generic concept of marketing. The fourth describes the basic analytical, planning, organization, and control tasks that make up the logic of marketing management. The fifth discusses some interesting questions raised about the generic concept of marketing.

Three Stages of Marketing Consciousness

Three different levels of consciousness can be distinguished regarding the boundaries of marketing. The present framework utilizes Reich's consciousness categories without his specific meanings.⁴ The traditional consciousness, that marketing is essentially a business subject, will be called *consciousness one*. Consciousness one is the most widely held view in the mind of practitioners and the public. In the last few years, a marketing *consciousness two* has appeared among some marketers holding that marketing is appropriate for all organizations that have customers. This is the thrust of the original broadening proposal and seems to be gaining adherents. Now it can be argued that even consciousness two expresses a limited concept of marketing. One can propose *consciousness three* that holds that marketing is a relevant subject for all organizations in their relations with all their publics, not only customers. The future character of marketing will depend on the particular consciousness that most marketers adopt regarding the nature of their field.

Consciousness One

Consciousness one is the conception that marketing is essentially a business subject. It maintains that marketing is concerned with *sellers, buyers, and "economic" products and services*. The sellers offer goods and services, the buyers have purchasing power and other resources, and the objective is an exchange of goods for money or other resources.

The core concept defining marketing consciousness one

TABLE 1
SOME ORGANIZATIONS AND THEIR PRODUCTS AND CUSTOMER GROUPS

Organization	Product	Customer Group
Museum	Cultural appreciation	General public
National Safety Council	Safer driving	Driving public
Political candidate	Honest government	Voting public
Family Planning Foundation	Birth control	Fertile public
Police department	Safety	General public
Church	Religious experience	Church members
University	Education	Students

is that of *market transactions*. A market transaction involves the transfer of ownership or use of an economic good or service from one party to another in return for a payment of some kind. For market transactions to occur in a society, six conditions are necessary: (1) Two or more parties; (2) a scarcity of goods; (3) concept of private property; (4) one party must want a good held by another; (5) the "wanting" party must be able to offer some kind of payment for it; and (6) the "owning" party must be willing to forego the good for the payment. These conditions underlie the notion of a market transaction, or more loosely, economic exchange.

Market transactions can be contrasted with nonmarket transactions. Nonmarket transactions also involve a transfer of resources from one party to another, *but without clear payment by the other*. Giving gifts, paying taxes, receiving free services are all examples of nonmarket transactions. If a housekeeper is paid for domestic services, this is a market transaction; if she is one's wife, this is a nonmarket transaction. Consciousness one marketers pay little or no attention to nonmarket transactions because they lack the element of explicit payment.

Consciousness Two

Consciousness two marketers do not see *payment* as a necessary condition to define the domain of marketing phenomena. Marketing analysis and planning are relevant in all organizations producing products and services for an intended consuming group, whether or not payment is required.

Table 1 lists several nonbusiness organizations and their "products" and "customer groups." All of these products, in principle, can be priced and sold. A price can be charged for museum attendance, safe driving lessons, birth control information, and education. The fact that many of these services are offered "free" should not detract from their character as products. A product is something that has value to someone. Whether a charge is made for its consumption is an incidental rather than essential feature defining value. In fact, most of these social goods are "priced," although often

³JOURNAL OF MARKETING, Vol. 35 (July, 1971).

⁴Charles A. Reich, *The Greening of America* (New York: Random House, 1970).

not in the normal fashion. Police services are paid for by taxes, and religious services are paid for by donations.

Each of these organizations faces marketing problems with respect to its product and customer group. They must study the size and composition of their market and consumer wants, attitudes, and habits. They must design their products to appeal to their target markets. They must develop distribution and communication programs that facilitate "purchase" and satisfaction. They must develop customer feedback systems to ascertain market satisfaction and needs.

Thus consciousness two replaces the core concept of *market transactions* with the broader concept of *organization-client transactions*. Marketing is no longer restricted only to transactions involving parties in a two-way exchange of economic resources. Marketing is a useful perspective for any organization producing products for intended consumption by others. *Marketing consciousness two states that marketing is relevant in all situations where one can identify an organization, a client group, and products broadly defined.*

Consciousness Three

The emergence of a marketing consciousness three is barely visible. Consciousness three marketers do not see why marketing technology should be confined only to an organization's transactions with its client group. An organization—or more properly its management—may engage in marketing activity not only with its customers but also with all other publics in its environment. A management group has to market to the organization's supporters, suppliers, employees, government, the general public, agents, and other key publics. *Marketing consciousness three states that marketing applies to an organization's attempts to relate to all of its publics, not just its consuming public.* Marketing can be used in multiple institutional contexts to effect transactions with multiple targets.

Marketing consciousness three is often expressed in real situations. One often hears a marketer say that his real problem is not *outside marketing* but *inside marketing*; for example, getting others in his organization to accept his ideas. Companies seeking a preferred position with suppliers or dealers see this as a problem of marketing themselves. In addition, companies try to market their viewpoint to congressmen in Washington. These and many other examples suggest that marketers see the marketing problem as extending far beyond customer groups.

The concept of defining marketing in terms of *function* rather than *structure* underlies consciousness three. To define a field in terms of function is to see it as a process or set of activities. To define a field in terms of structure is to identify it with some phenomena such as a set of institutions. Bliss pointed out that many sciences are facing this choice.⁵ In the field of political

science, for example, there are those who adopt a structural view and define political science in terms of political institutions such as legislatures, government agencies, judicial courts, and political parties. There are others who adopt a functional view and define political science as the study of *power* wherever it is found. The latter political scientists study power in the family, in labor-management relations, and in corporate organizations.

Similarly, marketing can be defined in terms of functional rather than structural considerations. Marketing takes place in a great number of situations, including executive recruiting, political campaigning, church membership drives, and lobbying. Examining the marketing aspects of these situations can yield new insights into the generic nature of marketing. The payoff may be higher than from continued concentration in one type of structural setting, that of business.

It is generally a mistake to equate a science with a certain phenomenon. For example, the subject of *matter* does not belong exclusively to physics, chemistry, or biology. Rather physics, chemistry, and biology are logical systems that pose different questions about matter. Nor does *human nature* belong exclusively to psychology, sociology, social psychology, or anthropology. These sciences simply raise different questions about the same phenomena. Similarly, traditional business subjects should not be defined by institutional characteristics. This would mean that finance deals with banks, production with factories, and marketing with distribution channels. Yet each of these subjects has a set of core ideas that are applicable in multiple institutional contexts. An important means of achieving progress in a science is to try to increase the generality of its concepts.

Consider the case of a hospital as an institution. A production-minded person will want to know about the locations of the various facilities, the jobs of the various personnel, and in general the arrangement of the elements to produce the product known as health care. A financial-minded person will want to know the hospital's sources and applications of funds and its income and expenses. A marketing-minded person will want to know where the patients come from, why they appeared at this particular hospital, and how they feel about the hospital care and services. Thus the phenomena do not create the questions to be asked; rather the questions are suggested by the disciplined view brought to the phenomena.

What then is the disciplinary focus of marketing? The core concept of marketing is the *transaction*. *A transaction is the exchange of values between two parties.* The things-of-values need not be limited to goods, services, and money; they include other resources such as time, energy, and feelings. Transactions occur not only between buyers and sellers, and organizations and clients, but also between any two parties. A transaction takes place, for example, when a person decides to watch a television program; he is exchanging his time for entertainment. A transaction takes place when a person

⁵Perry Bliss, *Marketing Management and the Behavioral Environment* (Englewood Cliffs, N.J.: Prentice-Hall, Inc., 1970), pp. 106-108, 119-120.

votes for a particular candidate; he is exchanging his time and support for expectations of better government. A transaction takes place when a person gives money to a charity; he is exchanging money for a good conscience. *Marketing is specifically concerned with how transactions are created, stimulated, facilitated, and valued.* This is the generic concept of marketing.

The Axioms of Marketing

The generic concept of marketing will now be more rigorously developed. Marketing can be viewed as a *category of human action* distinguishable from other categories of human action such as voting, loving, consuming, or fighting. As a category of human action, it has certain characteristics which can be stated in the form of axioms. A sufficient set of axioms about marketing would provide unambiguous criteria about what marketing is, and what it is not. Four axioms, along with corollaries, are proposed in the following section.

Axiom 1. *Marketing involves two or more social units, each consisting of one or more human actors.*

Corollary 1.1. The social units may be individuals, groups, organizations, communities, or nations.

Two important things follow from this axiom. First, marketing is not an activity found outside of the human species. Animals, for example, engage in production and consumption, but do not engage in marketing. They do not exchange goods, set up distribution systems, and engage in persuasive activity. Marketing is a peculiarly human activity.

Second, the referent of marketing activity is another social unit. Marketing does not apply when a person is engaged in an activity in reference to a *thing* or *himself*. Eating, driving, and manufacturing are not marketing activities, as they involve the person in an interactive relationship primarily with things. Jogging, sleeping, and daydreaming are not marketing activities, as they involve the person in an interactive relationship primarily with himself. An interesting question does arise as to whether a person can be conceived of marketing something to himself, as when he undertakes effort to change his own behavior. Normally, however, marketing involves actions by a person directed toward one or more other persons.

Axiom 2. *At least one of the social units is seeking a specific response from one or more other units concerning some social object.*

Corollary 2.1. The social unit seeking the response is called the *marketer*, and the social unit whose response is sought is called the *market*.

Corollary 2.2. The social object may be a product, service, organization, person, place, or idea.

Corollary 2.3. The response sought from the market is some behavior toward the social object, usually acceptance but conceivably avoidance. (More specific descriptions of responses sought are purchase, adoption, usage, consumption, or their negatives. Those who do or may respond are called buyers, adopters, users, consumers, clients,

or supporters.)

Corollary 2.4. The marketer is normally aware that he is seeking the specific response.

Corollary 2.5. The response sought may be expected in the short or long run.

Corollary 2.6. The response has value to the marketer.

Corollary 2.7. *Mutual marketing* describes the case where two social units simultaneously seek a response from each other. Mutual marketing is the core situation underlying bargaining relationships.

Marketing consists of actions undertaken by persons to bring about a response in other persons concerning some specific social object. A social object is any entity or artifact found in society, such as a product, service, organization, person, place, or idea. The marketer normally seeks to influence the market to accept this social object. The notion of marketing also covers attempts to influence persons to avoid the object, as in a business effort to discourage excess demand or in a social campaign designed to influence people to stop smoking or overeating.⁶ *The marketer is basically trying to shape the level and composition of demand for his product.* The marketer undertakes these influence actions because he values their consequences. The market may also value the consequences, but this is not a necessary condition for defining the occurrence of marketing activity. The marketer is normally conscious that he is attempting to influence a market, but it is also possible to interpret as marketing activity cases where the marketer is not fully conscious of his ends and means.

Axiom 2 implies that "selling" activity rather than "buying" activity is closer to the core meaning of marketing. The merchant who assembles goods for the purpose of selling them is engaging in marketing, insofar as he is seeking a purchase response from others. The buyer who comes into his store and pays the quoted price is engaging in buying, not marketing, in that he does not seek to produce a specific response in the seller, who has already put the goods up for sale. If the buyer decides to bargain with the seller over the terms, he too is involved in marketing, or if the seller had been reluctant to sell, the buyer has to market himself as an attractive buyer. The terms "buyer" and "seller" are not perfectly indicative of whether one, or both, of the parties are engaged in marketing activity.

Axiom 3. *The market's response probability is not fixed.*

Corollary 3.1. The probability that the market will produce the desired response is called the *market's response probability*.

Corollary 3.2. The market's response probability is greater than zero; that is, the market is capable of producing the desired response.

Corollary 3.3. The market's response probability is less than one; that is, the market is not internally compelled to produce the desired response.

⁶See Philip Kotler and Sidney J. Levy, "Demarketing, Yes, Demarketing," *Harvard Business Review*, Vol. 49 (November-December, 1971), pp. 71-80.

Corollary 3.4. The market's response probability can be altered by marketer actions.

Marketing activity makes sense in the context of a market that is free and capable of yielding the desired response. If the target social unit *cannot respond* to the social object, as in the case of no interest or no resources, it is not a market. If the target social unit *must respond* to the social object, as in the case of addiction or perfect brand loyalty, that unit is a market but there is little need for marketing activity. In cases where the market's response probability is fixed in the short run but variable in the long run, the marketer may undertake marketing activity to prevent or reduce the erosion in the response probability. Normally, marketing activity is most relevant where the market's response probability is less than one and highly influenced by marketer actions.

Axiom 4. *Marketing is the attempt to produce the desired response by creating and offering values to the market.*

Corollary 4.1. The marketer assumes that the market's response will be voluntary.

Corollary 4.2. The essential activity of marketing is the creation and offering of value. Value is defined subjectively from the market's point of view.

Corollary 4.3. The marketer creates and offers value mainly through configuration, valuation, symbolization, and facilitation. (Configuration is the act of designing the social object. Valuation is concerned with placing terms of exchange on the object. Symbolization is the association of meanings with the object. Facilitation consists of altering the accessibility of the object.)

Corollary 4.4. *Effective marketing* means the choice of marketer actions that are calculated to produce the desired response in the market. *Efficient marketing* means the choice of *least cost* marketer actions that will produce the desired response.

Marketing is an approach to producing desired responses in another party that lies midway between *coercion* on the one hand and *brainwashing* on the other.

Coercion involves the attempt to produce a response in another by forcing or threatening him with agent-inflicted pain. Agent-inflicted pain should be distinguished from object-inflicted pain in that the latter may be used by a marketer as when he symbolizes something such as cigarettes as potentially harmful to the smoker. The use of agent-inflicted pain is normally not a marketing solution to a response problem. This is not to deny that marketers occasionally resort to arranging a "package of threats" to get or keep a customer. For example, a company may threaten to discontinue purchasing from another company if the latter failed to behave in a certain way. But normally, marketing consists of noncoercive actions to induce a response in another.

Brainwashing lies at the other extreme and involves the attempt to produce a response in another by pro-

foundly altering his basic beliefs and values. Instead of trying to persuade a person to see the social object as serving his existing values and interests, the agent tries to shift the subject's values in the direction of the social object. Brainwashing, fortunately, is a very difficult feat to accomplish. It requires a monopoly of communication channels, operant conditioning, and much patience. Short of pure brainwashing efforts are attempts by various agents to change people's basic values in connection with such issues as racial prejudice, birth control, and private property. Marketing has some useful insights to offer to agents seeking to produce basic changes in people, although its main focus is on creating products and messages attuned to existing attitudes and values. It places more emphasis on preference engineering than attitude conditioning, although the latter is not excluded.

The core concern of marketing is that of producing desired responses in free individuals by the judicious creation and offering of values. The marketer is attempting to get value from the market through offering value to it. The marketer's problem is to create attractive values. Value is completely subjective and exists in the eyes of the beholding market. Marketers must understand the market in order to be effective in creating value. This is the essential meaning of the marketing concept.

The marketer seeks to create value in four ways. He can try to design the social object more attractively (configuration); he can put an attractive terms on the social object (valuation); he can add symbolic significance in the social object (symbolization); and he can make it easier for the market to obtain the social object (facilitation). He may use these activities in reverse if he wants the social object to be avoided. These four activities have a rough correspondence to more conventional statements of marketing purpose, such as the use of product, price, promotion, and place to stimulate exchange.

The layman who thinks about marketing often over-identifies it with one or two major component activities, such as facilitation or symbolization. In *scarcity economies*, marketing is often identified with the facilitation function. Marketing is the problem of getting scarce goods to a marketplace. There is little concern with configuration and symbolization. In *affluent economies*, marketing is often identified with the symbolization function. In the popular mind, marketing is seen as the task of encoding persuasive messages to get people to buy more goods. Since most people resent persuasion attempts, marketing has picked up a negative image in the minds of many people. They forget or overlook the marketing work involved in creating values through configuration, valuation, and facilitation. In the future post-industrial society concern over the quality of life becomes paramount, and the public understanding of marketing is likely to undergo further change, hopefully toward an appreciation of all of its functions to create and offer value.

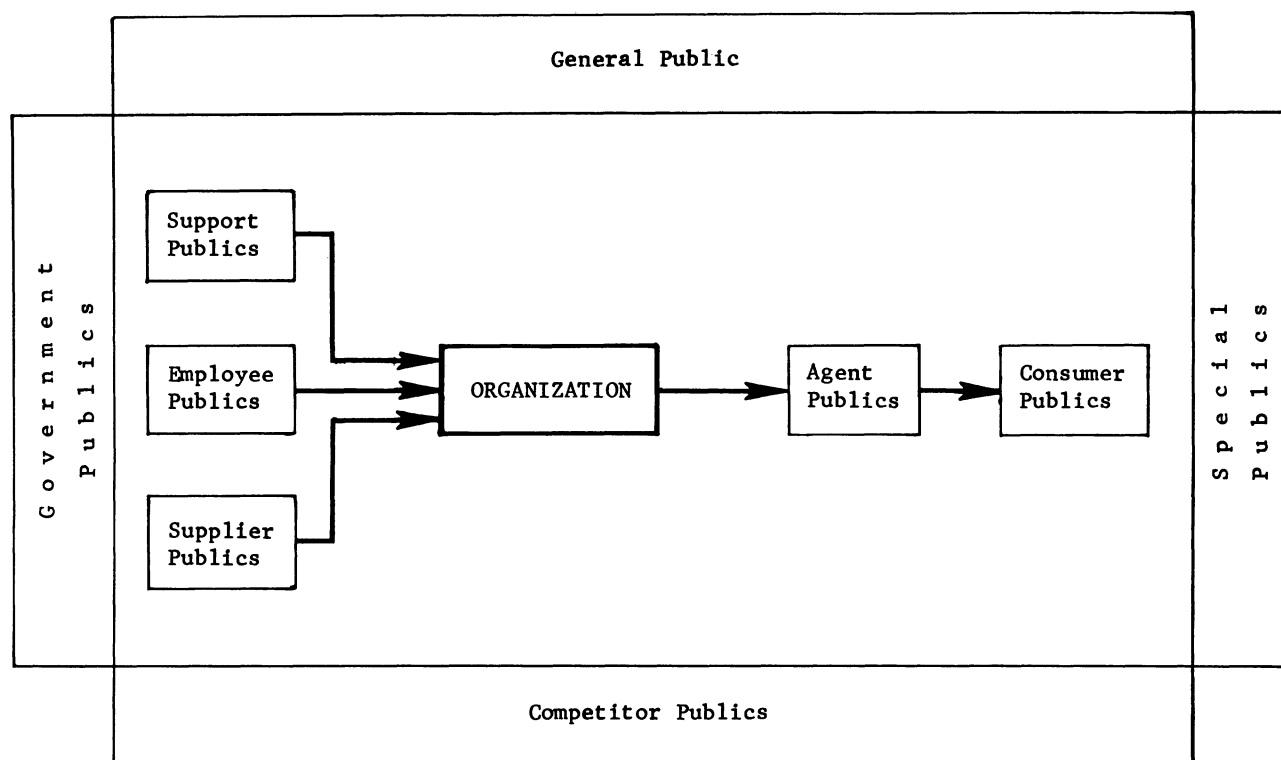


FIGURE 1. An organization's publics.

Typologies of Marketing

The new levels of marketing consciousness make it desirable to reexamine traditional classifications of marketing activity. Marketing practitioners normally describe their type of marketing according to the *target market* or *product*. A *target-market classification* of marketing activity consists of consumer marketing, industrial marketing, government marketing, and international marketing.

A *product classification* consists of durable goods marketing, nondurable goods marketing, and service marketing.

With the broadening of marketing, the preceding classifications no longer express the full range of marketing application. They pertain to business marketing, which is only one type of marketing. More comprehensive classifications of marketing activity can be formulated according to the *target market*, *product*, or *marketer*.

Target Market Typology

A *target-market classification* of marketing activity distinguishes the various *publics* toward which an organization can direct its marketing activity. A *public* is any group with potential interest and impact on an organization. Every organization has up to nine distinguishable publics (Figure 1). There are three *input publics* (supporters, employees, suppliers), two *output publics* (agents, consumers), and four *sanctioning publics* (government, competitors, special publics, and general public). The organization is viewed as a resource conversion machine which takes the resources of sup-

porters (e.g., stockholders, directors), employees, and suppliers and converts these into products that go directly to consumers or through agents. The organization's basic input-output activities are subject to the watchful eye of sanctioning publics such as government, competitors, special publics, and the general public. All of these publics are targets for organizational marketing activity because of their potential impact on the resource converting efficiency of the organization. Therefore, a *target-market classification* of marketing activity consists of supporter-directed marketing, employee-directed marketing, supplier-directed marketing, agent-directed marketing, consumer-directed marketing, general public-directed marketing, special public-directed marketing, government-directed marketing, and competitor-directed marketing.

Product Typology

A typology of marketing activity can also be constructed on the basis of the *product* marketed. Under the broadened concept of marketing, the product is no longer restricted to commercial goods and services. An organization can try to market to a public up to six types of products or social objects. A product classification of marketing consists of goods marketing, service marketing, organization marketing, person marketing, place marketing, and idea marketing.

Goods and service marketing, which made up the whole of traditional marketing, reappear in this classification. In addition, marketers can specialize in the marketing of organizations (e.g., governments, corporations, or universities), persons (e.g., political candidates, celebrities),

places (e.g., real estate developments, resort areas, states, cities), and ideas (e.g., family planning, Medicare, anti-smoking, safe-driving).

Marketer Typology

A typology can also be constructed on the basis of the *marketer*, that is, the organization that is carrying on the marketing. A first approximation would call for distinguishing between business and nonbusiness organization marketing. Since there are several types of non-business organizations with quite different products and marketing tasks, it would be desirable to build a marketer classification that recognizes the different types of organizations. This leads to the following classifications: Business organization marketing, political organization marketing, social organization marketing, religious organization marketing, cultural organization marketing, and knowledge organization marketing.

Organizations are classified according to their primary or formal character. Political organizations would include political parties, government agencies, trade unions, and cause groups. Social organizations would include service clubs, fraternal organizations, and private welfare agencies. Religious organizations would include churches and evangelical movements. Cultural organizations would include museums, symphonies, and art leagues. Knowledge organizations would include public schools, universities, and research organizations. Some organizations are not easy to classify. Is a non-profit hospital a business or a social organization? Is an employee credit union a political or a social organization? The purpose of the classification is primarily to guide students of marketing to look for regularities that might characterize the activities of certain basic types of organizations.

In general, the purpose of the three classifications of marketing activity is to facilitate the accumulation of marketing knowledge and its transfer from one marketing domain to another. Thus political and social organizations often engage in marketing ideas, and it is desirable to build up generic knowledge about idea marketing. Similarly, many organizations try to communicate a program to government authorities, and they could benefit from the accumulation of knowledge concerning idea marketing and government-directed marketing.

Basic Tasks of Marketing Management

Virtually all persons and organizations engage in marketing activity at various times. They do not all engage in marketing, however, with equal skill. A distinction can be drawn between *marketing* and *marketing management*. *Marketing* is a descriptive science involving the study of how transactions are created, stimulated, facilitated, and valued. *Marketing management* is a normative science involving the efficient creation and offering of values to stimulate desired transactions. Marketing management is essentially a disciplined view

of the task of achieving specific responses in others through the creation and offering of values.

Marketing management is not a set of answers so much as an orderly set of questions by which the marketer determines what is best to do in each situation. Effective marketing consists of intelligently analyzing, planning, organizing, and controlling marketing effort.

The marketer must be skilled at two basic analytical tasks. The first is *market analysis*. He must be able to identify the market, its size and location, needs and wants, perceptions and values. The second analytical skill is *product analysis*. The marketer must determine what products are currently available to the target, and how the target feels about each of them.

Effective marketing also calls for four major planning skills. The first is *product development*, i.e., configuration. The marketer should know where to look for appropriate ideas, how to choose and refine the product concept, how to stylize and package the product, and how to test it. The second is *pricing*, i.e., valuation. He must develop an attractive set of terms for the product. The third is *distribution*, i.e., facilitation. The marketer should determine how to get the product into circulation and make it accessible to its target market. The fourth is *promotion*, i.e., symbolization. The marketer must be capable of stimulating market interest in the product.

Effective marketing also requires three organizational skills. The first is *organizational design*. The marketer should understand the advantages and disadvantages of organizing market activity along functional, product, and market lines. The second is *organizational staffing*. He should know how to find, train, and assign effective co-marketers. The third is *organizational motivation*. He must determine how to stimulate the best marketing effort by his staff.

Finally, effective marketing also calls for two control skills. The first is *market results measurement*, whereby the marketer keeps informed of the attitudinal and behavioral responses he is achieving in the marketplace. The second is *marketing cost measurement*, whereby the marketer keeps informed of his costs and efficiency in carrying out his marketing plans.

Some Questions About Generic Marketing

The robustness of the particular conception of marketing advocated in this article will be known in time through testing the ideas in various situations. The question is whether the logic called marketing really helps individuals such as educational administrators, public officials, museum directors, or church leaders to better interpret their problems and construct their strategies. If these ideas are validated in the marketplace, they will be accepted and adopted.

However, academic debate does contribute substantially to the sharpening of the issues and conceptions. Several interesting questions have arisen in the course of efforts by this author to expound the generic concept

of marketing. Three of these questions are raised and discussed below.

- (1) *Isn't generic marketing really using influence as the core concept rather than exchange?*

It is tempting to think that the three levels of consciousness of marketing move from *market transactions* to *exchange* to *influence* as the succeeding core concepts. The concept of influence undeniably plays an important role in marketing thought. Personal selling and advertising are essentially influence efforts. Product design, pricing, packaging, and distribution planning make extensive use of influence considerations. It would be too general to say, however, that marketing is synonymous with interpersonal, intergroup, or interorganizational influence processes.

Marketing is a particular way of looking at the problem of achieving a valued response from a target market. It essentially holds that exchange values must be identified, and the marketing program must be based on these exchange values. Thus the anticigarette marketer analyzes what the market is being asked to give up and what inducements might be offered. The marketer recognizes that every action by a person has an opportunity cost. The marketer attempts to find ways to increase the person's perceived rate of exchange between what he would receive and what he would give up in *freely* adopting that behavior. The marketer is a specialist at understanding human wants and values and knows what it takes for someone to act.

- (2) *How would one distinguish between marketing and a host of related activities such as lobbying, propagandizing, publicizing, and negotiating?*

Marketing and other influence activities and tools share some common characteristics as well as exhibit some unique features. Each influence activity has to be examined separately in relation to marketing. *Lobbying*, for example, is one aspect of government-directed marketing. The lobbyist attempts to evoke support from a legislator through offering values to the legislator (e.g., information, votes, friendship, and favors). A lobbyist thinks through the problem of marketing his legislation as carefully as the business marketer thinks through the problem of marketing his product or service. *Propagandizing* is the marketing of a political or social idea to a mass audience. The propagandist attempts to package the ideas in such a way as to constitute values to the target audience in exchange for support. *Publicizing* is the effort to create attention and interest in a target audience. As such it is a tool of marketing. *Negotiation* is a face-to-face mutual marketing process. In general, the broadened concept of marketing underscores the kinship of marketing with a large number of other activities and suggests that marketing is a more endemic process in society than business marketing alone suggests.

- (3) *Doesn't generic marketing imply that a marketer would be more capable of managing political or charitable campaigns than professionals in these businesses?*

A distinction should be drawn between marketing as a *logic* and marketing as a *competence*. Anyone who is seeking a response in another would benefit from applying marketing logic to the problem. Thus a company treasurer seeking a loan, a company recruiter seeking a talented executive, a conservationist seeking an antipollution law, would all benefit in conceptualizing their problem in marketing terms. In these instances, they would be donning a marketer's hat although they would not be performing as professional marketers. A professional marketer is someone who (1) regularly works with marketing problems in a specific area and (2) has a specialized knowledge of this area. The political strategist, to the extent he is effective, is a professional marketer. He has learned how to effectively design, package, price, advertise, and distribute his type of product in his type of market. A professional marketer who suddenly decides to handle political candidates would need to develop competence and knowledge in this area just as he would if he suddenly decided to handle soap or steel. Being a marketer only means that a person has mastered the logic of marketing. To master the particular market requires additional learning and experience.

Summary and Conclusion

This article has examined the current debate in marketing concerning whether its substance belongs in the business area, or whether it is applicable to all areas in which organizations attempt to relate to customers and other publics. Specifically, *consciousness one marketing* holds that marketing's core idea is *market transactions*, and therefore marketing applies to buyers, sellers, and commercial products and services. *Consciousness two marketing* holds that marketing's core idea is *organization-client transactions*, and therefore marketing applies in any organization that can recognize a group called customers. *Consciousness three marketing* holds that marketing's core idea is *transactions*, and therefore marketing applies to any social unit seeking to exchange values with other social units.

This broadest conception of marketing can be called *generic marketing*. Generic marketing takes a functional rather than a structural view of marketing. Four axioms define generic marketing. *Axiom 1*: Marketing involves two or more social units. *Axiom 2*: At least one of the social units is seeking a specific response from one or more other units concerning some social object. *Axiom 3*: The market's response probability is not fixed. *Axiom 4*: Marketing is the attempt to produce the desired response by creating and offering values to the market. These four axioms and their corollaries are intended to provide unambiguous criteria for determining what constitutes a marketing process.

Generic marketing further implies that marketing activity can be classified according to the *target market* (marketing directed to supporters, employees, suppliers, agents, consumers, general public, special publics, government, and competitors); the *product* (goods, services, organizations, persons, places, and ideas); and the *marketer* (business, political, social, religious, cultural, and knowledge organizations).

Marketers face the same tasks in all types of marketing. Their major analytical tasks are *market analysis* and *product analysis*. Their major planning tasks are *product development*, *pricing*, *distribution*, and *promotion*. Their major organizational tasks are *design*,

staffing, and *motivation*. Their major control tasks are *market results measurement* and *marketing cost measurement*.

Generic marketing is a logic available to all organizations facing problems of market response. A distinction should be drawn between applying a marketing point of view to a specific problem and being a marketing professional. Marketing logic alone does not make a marketing professional. The professional also acquires competence, which along with the logic, allows him to interpret his problems and construct his marketing strategies in an effective way.

MARKETING MEMO

One Man's View: A Frustrated "Middle America" . . .

There is an alarming problem in this country today, the alienation of a large segment of the population, the white working class. Forty million strong, the white workers form the bulk of this nation's labor force. Attached to them are the white civil servants, the small entrepreneurs, the shopkeepers, all the people encompassed in the term "middle America." They add up to sixty or seventy million.

The white worker earns from five or six thousand dollars to somewhere around fifteen thousand dollars a year. Typically, he has a wife, two children, a house in town or the inner suburbs. He is the buffer between the ghetto and the affluent society. He owes far too much on installment debts on his car, appliances and home. He finds his tax burden increasingly heavy, his neighborhood services low or invisible, and his political clout diminishing.

Typically, he attended public school and graduated from high school, which was probably the high point of his life, at least socially. But school to him was generally an abysmal failure. It had sold him and his parents on the legitimacy of a system that abused him by putting him on the vocational and general education track, meaning dead end. At seventeen he already knew he hadn't made it. All, then, that he has to look forward to is the work ethic, and he sees people making fun of it, particularly the young. He is confused, and now he is growing increasingly angry. . . .

These people want to be recognized, they want to be told that they exist, and not only as a negative force in American life. They are not happy, because they don't know what to do with their lives. They are insecure in many ways. And they are fearful. The fear can produce fury in the absence of direction.

—Michael M. Schneider, "Middle America: Study in Frustration," *The Center Magazine*, Vol. III (November/December, 1970), pp. 2-9, at p. 2 and 3 in part.